

Agency 235

Department of Labor and Industries

Recommendation Summary

Dollars in Thousands

	Annual FTEs	General Fund State	Other Funds	Total Funds
2009-11 Expenditure Authority	2,746.8	44,311	581,901	626,212
Total Maintenance Level	2,682.5	41,744	569,876	611,620
Difference	(64.4)	(2,567)	(12,025)	(14,592)
Percent Change from Current Biennium	(2.3)%	(5.8)%	(2.1)%	(2.3)%
Performance Changes				
Shift Right-to-Know Fund Source				
Contractor Program Technology Savings	(2.5)	(108)		(108)
Simplify Crime Victims Comp #		(1,560)		(1,560)
Continued Worker Protection				
Use Federal Crime Victims' Funds		(2,555)		(2,555)
Suspend Plan 1 Uniform COLA #		(278)	(5,882)	(6,160)
State Data Center Rate Increase		24	2,413	2,437
Subtotal	(2.5)	(4,477)	(3,469)	(7,946)
Total Proposed Budget	2,680.0	37,267	566,407	603,674
Difference	(66.9)	(7,044)	(15,494)	(22,538)
Percent Change from Current Biennium	(2.4)%	(15.9)%	(2.7)%	(3.6)%
Total Proposed Budget by Activity				
Providing Agency Wide Administration and Information Services	120.1	733	29,869	30,602
Providing Worker Compensation Benefits	1,715.0		369,313	369,313
Protecting Worker Safety	404.9		87,175	87,175
Licensing and Regulation of Construction Professionals and Installations	310.0	16,060	43,392	59,452
Enforcing Fair Labor Standards	65.0		16,702	16,702
Preparing a Qualified Workforce with Apprenticeship Programs	18.0		4,655	4,655
Providing Financial and Medical Assistance to Victims of Crime	47.0	20,474	15,301	35,775
Total Proposed Budget	2,680.0	37,267	566,407	603,674

PERFORMANCE LEVEL CHANGE DESCRIPTIONS

HUMAN SERVICES - OTHER

PERFORMANCE LEVEL CHANGE DESCRIPTIONS

Shift Right-to-Know Fund Source

The Department of Labor and Industries' (LNI) Right-to-Know program falls under the jurisdiction of the Washington Industrial Safety and Health Act. Therefore, it is appropriately addressed by either the Worker and Community Right-to-Know Account or the Accident and Medical Aid Accounts. In order to redistribute available funds, half of the ongoing spending in LNI's Right-to-Know Account is shifted to the Accident and Medical Aid Accounts. (Worker and Community Right-to-Know Account-State, Accident Account-State, Medical Aid Account-State)

Contractor Program Technology Savings

The Department of Labor and Industries' contractor insurance renewal program has implemented technology improvements that will allow ongoing savings, resulting in a 2.5 FTE staff and \$108,000 reduction.

Simplify Crime Victims Comp #

The Department of Labor and Industries will propose legislative action to simplify the Crime Victims' Compensation program and eliminate specific benefit reductions to save \$1.56 million during the 2011-13 Biennium.

Continued Worker Protection

The Department of Labor and Industries shifts funding for three industrial hygienist field inspector positions from the Asbestos Account to the Accident and Medical Aid Accounts. This change completes a process that began with a fund shift to the Asbestos Account in the 2001-03 biennial budget cycle due to a surplus of funds in the Asbestos Account. As anticipated, it is now necessary to return funding to the Accident and Medical Aid Accounts because Asbestos Program revenue will no longer fully support program expenditures. (Asbestos Account-State, Accident Account-State, Medical Aid Account-State)

Use Federal Crime Victims' Funds

Ongoing funding for the Department of Labor and Industries' Crime Victims' Compensation program is shifted from General Fund-State to General Fund-Federal where there is enough existing expenditure authority. In 2010, the Legislature capped crime victims' payouts. Federal matching funds are currently relatively high due to previous higher state expenditures. This shift may need to be readjusted in the 2013-15 biennium, as federal matching funds adjust to lower state spending.

ACTIVITY DESCRIPTIONS

Providing Agency Wide Administration and Information Services

This activity provides human resource services, facilities management, public records disclosure, budget and financial management, office of the director, and overall agency direction. Information Services coordinates agency-wide computing resources.

Providing Worker Compensation Benefits

This activity administers the State Fund provision of workers' compensation insurance for about 2,570,000 employees working for 171,000 employers. This work includes setting rates, collecting premiums, and helping employers to control costs and manage claims. It provides benefits to eligible workers who are injured or become ill as a result of a work place injury or exposure. Benefits include wage replacement, medical, and return to work or vocational assistance. For workers who are permanently disabled or fatally injured Labor and Industries provides lifetime pension benefits for workers or their family members.

Protecting Worker Safety

This activity provides services to reduce preventable workplace injuries, illnesses, and fatalities. Division of Occupational Safety and Health (DOSH) inspectors investigate hazardous workplaces, fatalities, serious accidents, and employee safety complaints. They ensure that employers correct serious hazards. DOSH also encourages voluntary compliance by providing onsite safety, health, and risk consultations to help employers identify and fix workplace hazards.

Licensing and Regulation of Construction Professionals and Installations

This activity protects the public and workers from the potential financial and safety risks associated with residential and commercial construction by licensing professional installers who do electrical, elevator, plumbing, and pressure vessel work. We maintain a register of building contractors to protect homeowners from unreliable, fraudulent, financially irresponsible, or incompetent construction contractors who fail to meet their financial obligations. We inspect installations including amusement rides, elevators, conveyances, grain elevators, mobile and manufactured homes, modular schools, construction trailers, mobile medical units, recreational vehicles, vendor trailers, plumbing, boilers, and pressure vessels.

Enforcing Fair Labor Standards

This activity includes prevailing wage determinations and the Employment Standards Program. The programs promote and enforce fair labor practices including payment of wages, family care benefits, and fair treatment of farm labor contractors. Labor and Industries investigates and issues findings on behalf of workers who were not fairly compensated for work performed.

Preparing a Qualified Workforce with Apprenticeship Programs

This activity prepares a qualified workforce in key occupations in our state. Labor and Industries Apprenticeship Program coordinators monitor compliance in existing occupations and develop and approve new programs in both traditional and non-traditional occupations.

Providing Financial and Medical Assistance to Victims of Crime

This activity helps eligible victims of a crime and their families recover from physical, emotional, and financial hardship. Benefits include medical, dental and mental health services, wage replacement benefits, pension payments, sexual assault forensic exams, and payment of burial costs.